

## Message Text

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ORIGIN STR-07

INFO OCT-01 IO-13 ISO-00 EA-10 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05  
L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05  
SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01  
DOE-15 /124 R

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APPROVED BY STR/RLMATTHEISEN  
TREAS/JSCHOTT  
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FM SECSTATE WASHDC  
TO USMISSION GENEVA IMMEDIATE

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USMTN

E.O. 11652: N/A

TAGS: ETRD, MTN

SUBJECT: SAFEGUARDS - EC AND JAPANESE SELECTIVITY PAPERS

REF: (A) GENEVA 6192 (B) STATE 119070 (C) GENEVA 7240

1. COMMENTS ON EC PAPER WERE PROVIDED IN REF (B). HOWEVER,  
SEVERAL WORDS WERE INADVERTENTLY OMITTED. PLEASE ADD THE  
FOLLOWING AT THE END OF THE SECOND LINE IN PARA 3(A):  
"CONDITIONS WITHOUT ELABORATION. MOREOVER THE."

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2. COMMENTS ON JAPANESE TEXT TRANSMITTED IN REF (C) ARE  
AS FOLLOWS:

(A) WE HAVE DIFFICULTY WITH THE PHRASE IN PARA 2(1)  
"WHERE IT IS CLEARLY ESTABLISHED THAT SERIOUS INJURY OR  
THREAT THEREOF AS PROVIDED FOR IN ARTICLE ( ) IS CAUSED BY  
SHARP AND SUBSTANTIAL INCREASE OF IMPORTS FROM ONE OR A

LIMITED NUMBER OF COUNTRIES AND THAT THE EFFECTS OF IMPORTS FROM OTHER SOURCES ARE NEGLIGIBLE." WE THINK SUCH A PROVISION WOULD, ON THE ONE HAND, UNNECESSARILY RESTRICT THE SCOPE FOR CONSENSUAL SELECTIVITY AND, ON THE OTHER HAND, MAY MAKE IT DIFFICULT TO AVOID SELECTIVITY IN ANY CASE THAT MET THE CRITERION. SECONDLY, PARA 2(1) SHOULD PERMIT A RESTRICTION TO BE APPLIED BY EITHER THE IMPORTING OR THE EXPORTING COUNTRY.

(B) PARA 2(2) SETS FORTH SEVEN ADDITIONAL CONDITIONS TO BE SATISFIED IN SELECTIVE SAFEGUARD CASES. THE SECOND CONDITION CAUSES US NO DIFFICULTY ALTHOUGH IT SEEMS UNNECESSARY SINCE IT IS PROVIDED ELSEWHERE IN THE CODE. THE THIRD CONDITION IS ALL RIGHT AND HAS BEEN INCLUDED IN A PROPOSED U.S. TEXT (SEE TPSC 78-68). THE SIXTH CONDITION SEEMS REASONABLE ALTHOUGH WE WOULD LIKE TO REFLECT ON IT. THE OTHERS CAUSE US DIFFICULTY. THE FIRST CONDITION DEMANDS CLEAR PROOF OF THE CIRCUMSTANCES SPECIFIED IN PARA 2(1). AS INDICATED ABOVE, WE HAVE PROBLEMS WITH SOME OF THE CRITERIA IN THAT PARAGRAPH AND THE DEMAND FOR PROOF INTENSIFIES THE DIFFICULTY. WE SEE NO LOGICAL REASON FOR THE FOURTH AND FIFTH CONDITIONS. THE SEVENTH CONDITION IS UNACCEPTABLE SINCE WE WANT TO AVOID ANY COMPENSATION OBLIGATIONS IN THE CODE (ALTHOUGH COUNTRIES COULD PROVIDE COMPENSATION IF THEY WISHED).

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(C) RE PARA 3(2), WE DO NOT UNDERSTAND REFERENCE TO PARA 1. SHOULD THE REFERENCE BE TO PARA 2(1) INSTEAD? AS A GENERAL COMMENT, WE HAVE RESERVATIONS CONCERNING SPECIFICATION OF ADDITIONAL CONDITIONS FOR COMMITTEE TO CONSIDER, AND WOULD PREFER SIMPLE FORMULATION AS IN PARA 4 OF U.S. PROPOSAL IN TPSC 78-68. PART OF CONCERN RELATES TO TACTICS, I.E., WE DO NOT WANT TO MAKE THE ARRANGEMENT TOO DIFFICULT FOR EC TO ACCEPT. ANOTHER PART OF CONCERN IS THAT SOME OR ALL OF THESE CONDITIONS MIGHT BE APPLIED TO CONSENSUAL SELECTIVITY. WE WILL WANT TO CONSIDER THIS PARAGRAPH LATER WHEN THERE HAS BEEN MORE DISCUSSION OF IT.

(D) RE PARA 4, THE U.S. WANTS SOME CONSTRAINT ON RETALIATION AGAINST SAFEGUARD ACTIONS AS OUTLINED IN TPSC 78-68. RE SUB-PARA 4(1), WE ASSUME AN EXPORTING COUNTRY WOULD NOT RETALIATE IN THE CASE OF CONSENSUAL SELECTIVITY. SUBPARA 4(2) IS ACCEPTABLE. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PAPERS, TRADE AGREEMENTS, NUCLEAR SAFEGUARDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 jun 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE145954  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RLMATTHEISEN/MFD  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780240-0481  
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**From:** STATE  
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**Message ID:** 6baa468d-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN STR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAFEGUARDS - EC AND JAPANESE SELECTIVITY PAPERS  
**TAGS:** ETRD, JA, MTN  
**To:** GENEVA USMTN  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/6baa468d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
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